



**Department of Veterans Affairs
Veterans Health Administration**

EXECUTIVE SUMMARY

South Texas Veterans Health Care System



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OVERVIEW: The Department of Veterans Affairs STVHCS was created on March 17, 1995 with the integration of the Audie L. Murphy Memorial Veterans Hospital, San Antonio, and the Kerrville VA Medical Center, Kerrville. STVHCS is comprised of three divisions referred to as the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division, with a FY05 operating budget of \$404.4 million. The STVHCS serves one of the largest primary service areas in the nation, 63 counties, and is part of the VA Heart of Texas Veterans Integrated Service Network (VISN 17), located in Arlington, TX.



The Audie L. Murphy Division (ALMD), named after the nation's most decorated World War II hero, began operations and initiated its affiliation with the University of Texas Health Science Center at San Antonio in October 1973. Acute medical, surgical, psychiatric, geriatric, and primary care services are offered for veterans residing locally, regionally, and nationally. The ALMD is comprised of 271 operating hospital beds (included is a 30-bed state-

of-the-art Spinal Cord Injury Center). In addition, a 90-bed Extended Care Therapy Center is located on the facility grounds. ALMD provides tertiary services including bone marrow transplantation, open-heart surgery, magnetic resonance imaging and positron emission tomography. As a ninth largest Level II Research facility with a total budget FY04 of approximately \$8.2 million, ALMD is ranked as the ninth largest VHA research program in which nearly 32 principal investigators conduct research on aging, cardiac surgery, cancer, and diabetes. The facility houses the only inpatient National Institute of Health sponsored clinical research center in the VA. The Geriatric Research, Education & Clinical Center (GRECC) is a "Center of Excellence". Additional centers of excellence awarded the STVHCS include the nationally prominent HIV program, as well as the women's health program.



The Kerrville Division (KD), located 65 miles northwest of San Antonio, began operations in 1947. Acute medical, primary and long-term care services are provided for an estimated 16,000 veterans residing in the "Texas Hill Country." Comprised of 23 operating hospital beds and a 154-bed Transitional Care Center, KD provides such services as primary care, geriatric evaluation and management, palliative care, a variety of specialty clinics, and computerized tomography. The KD has

developed an extensive primary care delivery system and was the recipient of the 1995 VA Deputy Secretary's Scissors Award for their accomplishments. Along with a growing primary care program, KD's focus is on long-term care that reflects the needs of their rural retirement community.

The satellite clinics act as the first point of entry for many veterans, handling approximately 222,000 outpatient visits annually. The clinics offer primary care and some specialty services while sharing resources with each other and their respective communities. When required, veterans are referred to ALMD and KD for specialty care including medicine, surgery, neuropsychiatry, rehabilitation, spinal cord injury and long-term care services. The satellite clinic division is comprised of VA-staffed and contracted Community-Based Outpatient Clinics (CBOCs). Staff clinics are located in San Antonio, Corpus Christi (1972), McAllen (1972), Victoria (1989), Laredo (1990), and Harlingen (2004). Contract clinics are located in Alice (1998), Beeville (1998), Kingsville (1998), Uvalde (1998), San Antonio (2000), New Braunfels (2000), and Seguin (2004). The STVHCS also supports the clinics by providing ophthalmology, general surgery, mental health, orthopedic, podiatry and urology teams on-site (offerings vary by site). These actions provide services closer to patients' homes. In 1997, STVHCS initiated a contract with medical facilities in the Lower Rio Grande Valley (LRGV) to provide outpatient surgery and short inpatient stays to local residents. Annually, over 1,852 procedures (e.g. colonoscopies, endoscopies, hernia repairs and cataract surgeries) are performed locally in the LRGV.



The Frank M. Tejeda Outpatient Clinic (FTOPC) is the clinic of jurisdiction for the fee-basis program and is responsible for executing the Compensation and Pension (C&P) exam program. Currently over 600 veterans are evaluated monthly in the C&P Program. The FTOPC also houses a division office of the Veterans Benefits Administration's (VBA) Houston Regional Office.

VA/DOD SHARING: The South Texas Veterans Health Care System (STVHCS) has partnered with Brook Army Medical Center (BAMC), Brooks City Base, Naval Air Station Corpus Christi, Naval Fleet Hospital Detachment 21 from Dallas, Army Medical Department at Ft. Sam Houston and Wilford Hall Medical Center (WHMC) for a combination of twenty VA/DoD sharing agreements

The net worth of all of these agreements totals over \$1.8 million dollars.

Noteworthy agreements include:

- Blood Bank agreement with WHMC (began in 1989); the STVHCS provides eight laboratory personnel to operate the WHMC Blood Bank and STVHCS receives in turn blood products (packed red blood cells, platelets, and plasma) equal to the annual salaries of the staff
- STVHCS operates a state of art laundry facility at the Kerrville VA hospital (Kerrville Division), approximately 60 miles NW of San Antonio; BAMC agreed in April 2002 to enter into an agreement whereby the Kerrville Division laundry plant services the majority of BAMC's bulk laundry requirements, in the tune of over 1.5 million pounds per year
- STVHCS entered into an agreement with the USAF School of Aerospace Medicine at Brooks Air Force Base, now Brooks City Base, for treatment of veterans with un-healing wound care and decompression sickness at their hyperbaric chamber; this agreement began in 1991

- STVHCS participates with the NAS Corpus Christi where Navy active duty surgeons provide outpatient treatment only to veterans in turn for health care from VA audiology and optometry staff to DoD beneficiaries

2003 National Defense Authorization Act – VA/DoD Demonstration Projects and Incentive Fund Proposals:

- STVHCS, BAMC, and WHMC participate in two VA/DoD Demonstration Projects; the Laboratory Data Sharing Interoperability and Joint Credentialing totaling over \$4.8 million combined; NAS Corpus Christi participating in Joint Credentialing only
- STVHCS and WHMC received approval in FY04 to establish a joint 30,000 square foot primary care clinic in North Central San Antonio under the Joint Incentive Fund; budget of over \$14 million; the clinic will also offer mental health, laboratory, radiology, optometry and pharmacy services
- Hyperbaric Chamber at WHMC: United States Air Force School of Aerospace Medicine (USAFSAM) purchased a state-of-the-art multiplace chamber (\$1.4M contract) to replace their existing 10-person multiplace chamber. STVHCS, WHMC and BAMC recognized the potential for a wider variety of services to better care for our patients by installing the new chamber at WHMC with a required receiving, staging, evaluation and treatment area. Since the chamber has been funded and purchased, only the facility modifications are needed for installation. Funded amount \$1.2 million.
- Digital Imaging/Tele-Radiology - This initiative is designed to address one of the most challenging aspects of the evolution of automated information systems (AIS) in support of health care: the capture, transmission, exchange and storage of digital images and linking with a patient's text-based electronic medical record. Images are not just limited to still photographs such as radiographs and CT scans, but encompass a wide variety of multi-media such as video clips (echocardiography and angiography) still black-and-white (radiology) and color images (dermatology and pathology), wave forms from EKGs and fetal monitors, audio clips from heart or lung sounds, and a host of other forms. The STVHCS and WHMC currently have approval from the FY04 Incentive Fund to establish a joint outpatient clinic in North Central San Antonio. Presently, there will be two digital radiology suites that will be independently linked to the DoD's Composite Health Care System (CHCS) (and eventually CHCS II), and the VA's Computerized Patient Record System (CPRS). Additionally, other joint outpatient clinics are being planned that would suffer the same constraints of having duplicate radiology equipment configurations dedicated to one system or the other. The absence of the ability of the two systems to share images compromises opportunities to increase productivity, reduce costs, and further strengthen the relationship between the VA and DoD. Approved funding \$3.4 million.
- STVHCS is a TRICARE provider. In FY 2005, enrollment was at 127 and we provided primary care services to them at the Kerrville Division.



HARLINGEN OUTPATIENT CLINIC: STVHCS received VACO approval in FY 2003 to relocate the congressionally endorsed Cameron County Community-Based Outpatient Clinic (CBOC) from Brownsville, Texas to Harlingen, Texas. A temporary, leased clinic located near STVHCS' medical affiliate's new Regional Academic Health Center (RAHC) in Harlingen is being utilized pending the activation of the recently announced VA clinic that will include 30,000 square feet of space. STVHCS opened 1,800 square feet of its interim clinic in August 2004, and

expanded the clinic to 10,000 square feet on November 8, 2004. The interim clinic houses 4 primary care teams and provides primary care, mental health, social work, optometry, and nutrition services to eligible veterans. The larger 30,000 square foot clinic will replace the current interim clinic and facilitate the following service enhancements: expanded primary care, mental health and social work services as well as the addition of in-house audiology, dental, pharmacy, laboratory, physical therapy, and radiology services. STVHCS anticipates a full compliment of graduate medical education activities at the new RAHC in the specialties of surgery, orthopedics and medicine. The planned clinic expansion will include facilities for residents and their supervising physicians to treat veteran patients in an outpatient setting.

AREAS OF SPECIAL INTEREST: With the integration of Kerrville and Audie L. Murphy Divisions, many positive changes have occurred. For example, a shuttle system was established to transport patients, lab specimens, medical records, and imaging films, between the two hospitals. Communication lines were installed to allow for tele-conferencing and tele-medicine capabilities; integration of patient records; and overall consolidation of demographic, medical, and workload data. A state-of-the-art consolidated laundry operation has been constructed in Kerrville that handles all the laundry needs of the STVHCS, BAMC, VAMC Big Springs, Cancer Therapy Research Center, and the State School for the Deaf.

CONSTRUCTION: ALMD was designed and constructed during a period when VA hospitals were funded on the basis of inpatient services. With the evolution of health care and veterans eligibility came strong incentives to provide primary and outpatient care. This mode of service delivery requires significantly different structures than inpatient care. As a result, the current structure has become inadequate in terms of functional ability and space. The following are projects underway or recently completed at ALMD:

- A major construction project to consolidate all acute care beds to ALMD with complete renovation of all medical and surgical bedrooms to private or semi-private rooms with handicapped access, patient privacy and sufficient support space. This project includes a 36,000 s.f. addition and 68,000 s.f. of inpatient unit renovation. It is a part of the CARES initiative to relocate all medical acute beds at San Antonio from the Kerrville VAMC.
- Expansion of specialty clinic space for eye, urology, surgery, podiatry, orthopedics, ENT, dental, rheumatology, hepatology, audiology, and other medical and surgical subspecialty clinics.
- Remodeling outpatient psychiatric clinics including substance abuse clinic and research.
- Expansion of clinical laboratory space with a new 15,000 s.f. addition.
- A new 15,000 s.f. research addition.

The age of KD's facility brings considerable maintenance requirements to its infrastructure. Among the projects currently in planning, underway or recently completed at the KD are:

- Renovation of Kerrville Transitional Care Center (KTCC) II for proposed enhanced use lease for residential care.
- Relocation and modernization of urgent care and acute care beds until they are relocated to San Antonio.
- Expansion of the chilled water plant.
- Relocation and modernization of Podiatry clinic on 4th floor.

NEW PROGRAMS: The STVHCS has a strong commitment to improve customer service, interpersonal communication, and employee morale. The goal of the newly created "Excellence" program is to identify and enhance the delivery of excellent customer service by STVHCS employees. The program consists of 3 components:

- Red Shirt - Employees nominate each other in recognition of delivering consistent customer service to internal and external customers. Four shirts are given out each month. The program began in September 2003.
- Everyday Excellence - A \$5 canteen voucher and a certificate is given as a "on the spot" recognition. The target audience is front line employees. Members of the senior managers distribute the certificates with a personal "thank you."
- Employee Newsletter – An employee newsletter highlighting customer service, performance measure improvement, human resource updates, and other information is published monthly.

An off-site contracted hotel, Oak Hills Medical Center Hotel, provides our veterans, who live greater than 50 miles from the ALMD, a customer friendly living environment during an extended stay in San Antonio for examination, treatment, or participation in an approved research project. This innovative program was implemented in May 2001.

Finally the strategic vision for the Kerrville division is to develop a model for geriatric care within the Veterans Health Administration. The second floor long-term care services were relocated to the sixth floor to facilitate the development of an assisted living service through an enhanced use lease with a non-VA contractor. This is approved and awaiting contracting. Additionally, physical medicine and rehabilitation services recently relocated to the seventh floor along with a wellness center.

LOCAL ISSUES: The STVHCS continues to expand accessibility while increasing the number of unique veterans served, and is the epicenter of health care for over 300,000 veterans residing in south Texas and Mexico. Socioeconomic conditions of the area range from relative affluence in the immediate San Antonio and Kerrville areas to widespread poverty and unemployment in the largely Hispanic Rio Grande Valley. The number of unique veterans served is steadily increasing, with particularly rapid growth in the Lower Rio Grande Valley. Wait times and long travel distances remain a continuing challenge. In general, costs have been controlled and actually decreased relative to national cost per patient. Quality measures have also improved or stayed stable despite the increased patient population.

WORKLOAD:

	FY 2003	FY 2004	FY 2005
Authorized Hospital Beds	804	804	296
Operating Hospital Beds	283	270	294
Operating Hospital Bed ADC	197	203	208
Authorized NHCU Beds	274	274	244
Operating NHCU Beds	244	244	244
Operating NHCU Bed ADC	208	197	201
Authorized Domiciliary Beds	0	0	0
Operating Domiciliary Beds	0	0	0
Operating Domiciliary Bed ADC	0	0	0
Authorized SARRTP Beds	26	26	26
Operating SARRTP Beds	26	26	26
Operating SARRTP Bed ADC	16	20	17
TOTAL AUTHORIZED BEDS	1104	1104	540
TOTAL OPERATING BEDS	553	540	538
TOTAL OPERATING BED ADC	421	414	409
Outpatient Visits	667,314	750,832	791,472
Unique Patients	67,523	73,407	77,531

LABOR RELATIONS: The following unions represent employees at the Audie L. Murphy and Kerrville Divisions:

AFGE Local 3511	Non-Professional	Audie L. Murphy Division
AFGE Local 4032	Professional	Audie L. Murphy Division
AFGE Local 2281	Non-Professional/Professional	Kerrville Division

The relationship with the unions continues to be workable/cooperative. During the past three years, the officers and stewards have been cooperative in resolving issues locally without third-party intervention. All three unions have entered into a Partnership Agreement with management in conjunction with Executive Order 12871. Furthermore, National Performance Review initiatives and Partnership Councils are active at the ALMD and KD to advance the tenants of the Partnership Agreement. Through an atmosphere of trust and cooperation, the STVHCS meets current and future opportunities with enthusiastic vigor; consequently, the STVHCS was one of only two VHA facilities to earn honorable mention for the Office of Personnel Management's prestigious John N. Sturdivant National Partnership Award for 2000.



JOSE R. CORONADO, FACHE
Director, South Texas Veterans Health Care System

Jose R. Coronado currently serves as Director for the South Texas Veterans Health Care System since its formation on March 17, 1995 from the integration of the Audie L. Murphy Memorial Veterans Hospital and the Kerrville VA Medical Center. Mr. Coronado is responsible for a healthcare delivery system which has an annual budget approximately FY05 operating budget of \$404.4 million, is comprised of more than 2,893 FTE employees, 251 operating hospital beds (included is a 30-bed state-of-the-art Spinal Cord Injury Center), a 90-bed Extended Care Therapy Center, and consists of three divisions: the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division. Affiliated with the University of Texas Health Science Center in San Antonio, the system has an active ambulatory care program with outpatient clinics in Corpus Christi, Laredo, McAllen, San Antonio and Victoria. Additionally, the system serves as a parent facility for Veterans Outreach Centers in Corpus Christi, Laredo, McAllen and San Antonio, the Fort Sam Houston National Cemetery in San Antonio, and the Alamo Federal Executive Board.

Mr. Coronado served as the Interim Network Director for the VA Heart of Texas Health Care Network (VISN 17) from October 22, 2000 through October 2001. He was responsible for health care delivery to veterans residing in a 134-county catchment area covering two counties in Southern Oklahoma and 132 counties in North-Central, Central and South-Central Texas. The network medical facilities included three health care systems: the VA North Texas Health Care System, with VA medical centers in Dallas and Bonham and a large outpatient clinic in Fort Worth; VA Central Texas Health Care System, with medical centers in Temple, Waco and Marlin, and a large outpatient clinic in Austin; and VA South Texas Veterans Health Care System with VA medical centers in San Antonio and Kerrville and large outpatient clinics in San Antonio, Corpus Christi and McAllen. Each health care system has numerous Community Based Outpatient Clinics (CBOC) under VA contracted or staffed/leased space models.

As a member of the Senior Executive Service of the United States, three presidents have recognized Mr. Coronado. In 1987, President Ronald Reagan awarded the *Presidential Rank Award for Meritorious Executives*. In 1989, President George Bush awarded the *Presidential Rank Award for Distinguished Executives*. In 1999, President Bill Clinton awarded the *Presidential Rank Award for Meritorious Executives*. In addition to these prestigious awards, Mr. Coronado has been recognized for the following accomplishments:

- American College of Health Care Executives *Regent's Award* - 2002

- Association of Military Surgeons of the United States (AMSUS) *1995 Ray E. Brown Award* for his outstanding contributions in Federal Health Care Management
- AMSUS *1991 Outstanding Federal Services Health Administrator Award*
- American College of Healthcare Executives, *Regents Award*, 1991
- Chair, VA's Graduate Healthcare Administration Training Program (GHATP) Board

In 1957, Mr. Coronado earned a Bachelor of Science degree in Zoology/Chemistry from the Texas College of Arts and Industries (Texas A&I), Kingsville, Texas. This was followed by a Masters of Science Degree in Education/Administration from the same college. Through a national competition, Mr. Coronado was selected by VA to attend the U.S. Army-Baylor University Graduate Program in Healthcare Administration where he earned his second Masters degree in 1973.

Mr. Coronado was born and raised in Benavides, Texas. He is an Army veteran having served in the 11th Armored Cavalry Regiment as a Battalion Operations Sergeant.



RICHARD BAUER, M.D., M.Sc.
Chief of Staff
South Texas Veterans Health Care System
San Antonio, TX 78229

Richard Bauer, M.D., was selected as the Chief of Staff for the South Texas Veterans Health Care System on March 17, 1995, with the integration of the Audie L. Murphy Memorial Veterans Hospital and the Kerrville VA Medical Center. Dr. Bauer is responsible for the clinical management of the system which has an annual budget approximately \$404.4 million, is comprised of more than 2,893 FTE employees, 251 operating hospital beds (included is a 30-bed state-of-the-art Spinal Cord Injury Center), a 90-bed Extended Care Therapy Center, and consists of three divisions: the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division.

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In 1974, Dr. Bauer received his MD in Internal Medicine from the Ohio State University Medical School. He studied at the London School of Hygiene and Tropical Medicine in London, England, and completed a fellowship in Clinical Epidemiology at the St. Thomas School of Medicine, also in London.

Throughout his career, Dr. Bauer has been selected for high offices in medical and public service organizations, and has been recognized by professional societies. He is a Fellow in the American College of Physicians and past President of the Southern Region Society for Research and Education in Primary Care/Internal Medicine.

Dr. Bauer is an Associate Professor in the Department of Medicine at the University of Texas Health Science Center in San Antonio. He began his VA career as Associate Chief of Staff for Ambulatory Care at the Audie L. Murphy Memorial Veterans Hospital in 1990.

Dr. Bauer is a native of Van Wert, Ohio and is married to Lorraine Salazar Bauer. They have one daughter, Allison.



Charles E. Sepich, FACHE
Associate Director
South Texas Veterans Health Care System
San Antonio, TX 78229

Charles Sepich was selected as the Associate Director for the South Texas Veterans Health Care System (STVHCS) in October 2002. Mr. Sepich is responsible for the administrative management of the system, which has an annual budget approximately \$404.4 million, is comprised of more than 2,893 FTE employees, 251 operating hospital beds (included is a 30-bed state-of-the-art Spinal Cord Injury Center), a 90-bed Extended Care Therapy Center, and consists of three divisions: the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division.

Affiliated with the University of Texas Health Science Center in San Antonio, the STVHCS has an active Ambulatory Care Program with outpatient clinics in Corpus Christi, Laredo, McAllen, San Antonio and Victoria. Additionally, the STVHCS serves as a parent facility for Veterans Outreach Centers in Corpus Christi, Laredo, McAllen, and San Antonio, the Fort Sam Houston in San Antonio, and the Alamo Federal Executive Board.

Mr. Sepich holds a Bachelor of Science degree from Illinois State University and a Master of Public Administration degree from Pennsylvania State University.

Mr. Sepich is:

- Certified Healthcare Executive, American College of Healthcare Executives
- VISN 17 member of the Finance and Capital Asset Board
- VISN 17 member of the VISN Business Office work group
- Graduate of Healthcare Leadership Institute



SANDRA O. BERRIGAN, R.N.
Associate Director for Patient Care Services
(Nurse Executive)
South Texas Veterans Health Care System
San Antonio, TX 78229

Sandra Berrigan became Associate Director for Patient Care Services for the South Texas Veterans Health Care System in November 2000. She was the Chief of Nursing Service since June 1998. Her leadership in administrative and clinical roles spans over thirty years in the Department of Veterans Affairs. She is the nurse executive for three divisions: the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division.

Ms. Berrigan holds a Bachelor of Science degree in Nursing from the University of Arkansas Medical Center School of Nursing at Little Rock; a Master of Science degree, Medical/Surgical Nursing from the University of Tennessee at Memphis; and a Master in Health Care Administration degree from the U. S. Army-Baylor University Graduate Program in Health Care Administration at Fort Sam Houston, Texas.

Ms. Berrigan is:

- VISN 17 representative to the National Nursing Executive Council
- Certified Healthcare Executive, American College of Healthcare Executives
- Appointed faculty member at University of Texas Health Science Center in San Antonio, School of Nursing
- Member of American Organization of Nurse Executives



Michael H. Dunfee
Assistant Director
South Texas Veterans Health Care System
San Antonio, TX 78229

Michael Dunfee was selected as the Assistant Director for the South Texas Veterans Health Care System (STVHCS) in November 2004. Mr. Dunfee has responsibility for the administrative management of the system, which has an annual budget approximately \$404.4 Million, is comprised of more than 2,893 FTE employees, 251 operating hospital beds (included is a 30-bed state-of-the-art Spinal Cord Injury Center), a 90-bed Extended Care Therapy Center, and consists of three divisions: the Audie L. Murphy Division, the Kerrville Division and the Satellite Clinic Division.

Affiliated with the University of Texas Health Science Center in San Antonio, the STVHCS has an active Ambulatory Care Program with outpatient clinics in Corpus Christi, Harlingen, Laredo, McAllen, San Antonio and Victoria. Additionally, the STVHCS serves as a parent facility for Veterans Outreach Centers in Corpus Christi, Harlingen, Laredo, McAllen, and San Antonio, the Fort Sam Houston in San Antonio and the Alamo Federal Executive Board.

Mr. Dunfee holds a Bachelor of Arts degree from St. Cloud State University and a Master of Arts, Health Management and Policy degree from The University of Iowa.

Mr. Dunfee:

- Served as VISN 17 Development Manager, August 2002 – October 2004
- Served as VHACO 10N Health System Specialist, September 2000 – July 2002